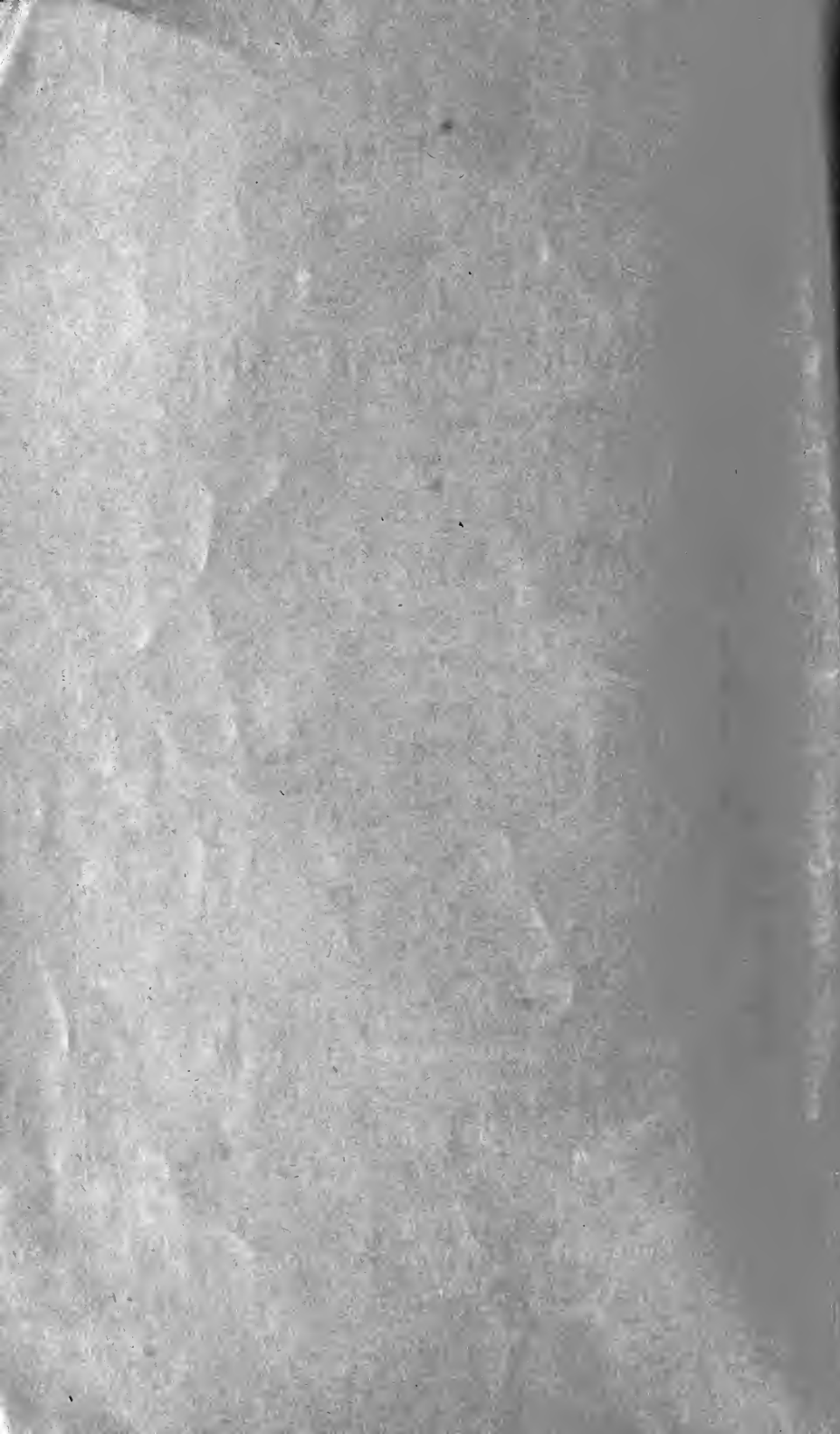


HISTORY
OF THE
INTERNATIONAL UNION
FOR THE
PROTECTION OF INDUSTRIAL PROPERTY,
INCLUDING
A DISCUSSION OF THE ARTICLES OF THE UNION AND
THEIR EFFECT UPON INDUSTRIAL PROPERTY
OF CITIZENS OF THE UNITED STATES.

PREPARED BY
EXAMINER F. A. SEELY,
UNDER THE DIRECTION OF
THE COMMISSIONER OF PATENTS.

SEPTEMBER 1, 1887.

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THE INTERNATIONAL UNION FOR THE PROTECTION OF INDUSTRIAL PROPERTY.

I. HISTORY OF THE CONVENTION.

The first International Conference regarding industrial property met in Vienna August 4, 1873, this Government being represented by Hon. J. M. Thacher, Assistant Commissioner of Patents. Its object was to discuss the propriety of establishing a uniform patent system in Europe, and to suggest the general features it should embrace. A series of resolutions was adopted looking to that end, and a committee was appointed to convoke a second congress. I find nothing further regarding the acts of the committee.

An International Congress was instituted in September, 1878, under the patronage of the French Government, on the occasion of the International Exposition at Paris. There was an elaborate programme, largely of papers on theoretical subjects, and a series of resolutions was adopted relating to the nature of property in mechanical inventions, designs, and trade-marks, the means for their protection, and to treaties relating to them. The French Government, in response to a resolution of the Congress, undertook to formulate a plan for a permanent international union for the protection of industrial property.

On the invitation of France a conference assembled at Paris in November, 1880, at which the following countries were represented, either by their ministers at Paris or by special delegates: Argentine Republic, Austria, Hungary, Belgium, Brazil, United States, France, Great Britain, Guatemala, Italy, Luxemburg, The Netherlands, Portugal, Russia, Salvador, Sweden, Norway, Switzerland, Turkey, Uruguay, and Venezuela.

The United States was represented by Mr. Putnam, minister to Brussels. To this conference was presented a scheme drafted by Mr. Jagerschmidt, a minister plenipotentiary of France, prepared by him in pursuance of the action of the Congress of 1878. This scheme was long and thoroughly discussed, the delegates all taking part except those of Great Britain and the United States. Its articles as finally adopted had assumed the shape of the convention proclaimed by the president June 11, 1887.

The Conference again assembled at Paris March 6, 1883. Meanwhile the project as adopted had been communicated to the several Governments interested, had been favorably received by many of them, and the object of the present Conference was to sign the convention and thereby institute the projected International Union. The signatory powers were: Belgium, Brazil, France, Guatemala, Italy, The Netherlands, Portugal, Salvador, Servia, Spain, and Switzerland.

Mr. Morton, the United States minister to France, who was a delegate to this Conference, announced that his Government had not been able to give the subject the consideration that its importance demanded, and that he could not sign the convention. He added that the adhesion of the United States might be given at some future time if that were permitted. A special resolution was adopted empowering the Swiss Government to receive the accession of the United States under a certain reservation regarding the constitutional authority of the General Government to legislate regarding trade-marks.

Before adjournment it was decided to hold the next Conference at Rome in 1885. It was postponed a year, however, in order that the working of the convention might be practically tested, and did not meet until April, 1886. This Conference was not confined to representatives of states forming the Union, and Germany was now represented for the first time. Mr. Stallo, minister to Italy, was delegate for the United States, but took no part, declaring that he assisted at the Conference solely *ad referendum*, and that he should report the proceedings to his Government without binding it in any respect.

Many propositions were submitted to this Conference to modify the text of the existing treaty, and elicited warm discussion. Great Britain having joined the Union in 1884, her representatives were particularly active in view of the trade-mark interests of her manufacturers. Additional paragraphs to Articles 5 and 10 of the convention were adopted, but no changes were made to the text of the existing articles. These additional paragraphs are still subject to ratification.

II. OBJECT OF THE INTERNATIONAL UNION.

This object was stated by M. Tibard, French minister of agriculture and commerce, in an address at the opening session of the Paris Conference of 1880, which I paraphrase rather than translate:

We are to seek for the means to establish an International Union which, without prejudice to the legislation of particular states on the subject, shall have two objects; first, to assure to the subjects of every state the enjoyment in every other of all the rights the subjects or citizens of the latter enjoy in respect to patents for invention, designs, trade-marks, and the commercial name; and second, to establish a number of general and uniform provisions which all citizens of the contracting states shall equally enjoy the benefit of.

The first of these objects is further declared in Article 2 of the convention, as follows:

The subjects or citizens of each of the contracting states shall enjoy, in all the other states of the Union, so far as concerns patents for inventions, trade or commercial marks, and the commercial name, the advantages that the respective laws thereof at present accord, or shall afterwards accord, to subjects or citizens. In consequence they shall have the same protection as these latter, and the same legal recourse against all infringements of their rights, under reserve of complying with the formalities and conditions imposed upon subjects or citizens by the domestic legislation of each state.

The conditions which give rise to the needs indicated are best shown by a brief statement of the special features of the patent laws of some European states, showing the difficulties aliens experience in securing and maintaining their patents, and also showing the difference between European systems and that of the United States.

Generally in Europe the patent is granted to the first applicant. Novelty is made a condition, but, as there is no examination, this is left to be determined subsequently. Hence the patentee need not be the first inventor, and the possession of letters patent is not even *prima*

facie evidence to that effect. The conditions that indicate a want of novelty are generally determined by the courts and not by statute, but in general it may be said that a prior foreign patent or publication invalidates the grant, even though it may have existed but a single day. An American, having already patented his invention at home, is barred from receiving protection in Great Britain, France, Germany, and in most if not all of the countries of Europe.

In Europe a patent is generally subject to the payment of an annual tax. In France this is \$20 annually. In Germany it is \$12.50 for the first and second years, and afterwards increases annually by that amount during the life of the patent. In Great Britain £50 is payable before the expiration of the fourth year, and £100 before the expiration of the seventh. In Italy also there is an increasing annual tax. Everywhere the failure to pay these taxes when due works forfeiture of the patent.

Forfeiture results in many countries from a failure to work the invention within a certain prescribed period. Some require the working to take place actually in the country, while others do not insist upon this condition. The German law requires the invention to be worked in Germany within three years of the grant. In Austria-Hungary one year is allowed, and a delay of two years entails forfeiture. The Belgian law requires that the invention be worked within one year in Belgium, but this is not insisted upon unless it is worked elsewhere. Denmark requires the invention to be worked within one year, and continuously during the life of the patent. Spain allows a year and a day. France two years, and two years' suspension of the working entails forfeiture. Italy allows one year on patents whose term is five years, but two years are allowed on all patents of longer term. These Governments are not all agreed as to what shall be regarded as constituting "working"; some of them are satisfied if the article patented is introduced and sold; in others it is required to be actually produced in the country. Great Britain alone of all European Governments imposes no conditions of this character.

The term of a patent begins ordinarily in Europe with the day on which the application is deposited. In Germany it runs from the next day, in Great Britain from the date of deposit of the provisional specification. In Italy, Austria-Hungary, Russia, and Portugal rights as regards third parties begin from the date of the deposit, but the term of the patent runs from the date of the grant.

France imposes on the patentee another restriction unknown elsewhere, that the introduction from abroad by the patentee of articles similar to those protected by the patent shall subject it to forfeiture.

Without further notice of the peculiar features of the various systems it is evident that they have a strong family likeness; and that while patents may be secured with comparatively little difficulty and at moderate expense, with less difficulty on account of the general absence of examinations as to novelty, there are burdensome and vexatious conditions constantly arising under which they may be invalidated. These conditions bear particularly hard upon aliens, and those which have been pointed out will show the nature of the work the Conference had before it.

With us none of these vexatious conditions exist. All persons, citizen or alien, stand in the United States Patent Office on exactly the same footing; the patent is granted to the person claiming to be the first inventor, that allegation being supported by his oath and confronted by the results of a most rigid examination into novelty. The sole condition of the grant is that at the expiration of the patent the in-

vention shall become public property. There are no taxes. The fees paid are never regarded as a source of revenue, but the average reasonable compensation for service actually rendered by the Patent Office. There is no obligation to work the invention, and no restriction upon introducing the patented article from other countries where it is manufactured. There is no purpose to *make* anything out of the inventor. His patent is simply a contract entered into between him and the Government, whereby, in consideration of protection granted him for the sole use and enjoyment of his invention for a limited period, he engages to give the public the full benefit of it at the expiration of the term. There is not a single harassing condition or burden of tax annexed to this contract.

The term of a United States patent always runs from the date of the grant; and when once granted, by virtue of the preliminary examination the invention has undergone, the patent becomes evidence of title. Evidence not accessible to the office at the time the examination was made may prove actual want of novelty, or fraud and misrepresentation may be discovered, but nothing else can defeat it.

Another prominent feature of the American patent system is the interference proceeding instituted to determine priority between two inventors, each claiming the same patentable subject-matter. No other country makes any similar provision. In fact, where there is no examination as to novelty, the question does not arise. Two patents may be granted for the same invention, and in case of contest in the courts the earlier patentee has the benefit of his priority. In this country priority in date of application gives a certain advantage in an interference proceeding, but the result of that proceeding is to award the patent to the party who proves that he was actually first to make the invention.

This statement of its history and object and the existing conditions in Europe brings us to the convention itself, and to the International Union founded upon it, of which the United States has just become a member. The convention will be considered article by article, with such comment as may be necessary to show what it accomplishes for aliens here and for our citizens abroad.

III. THE CONVENTION: PATENTS.

The convention consists of nineteen articles and a final protocol. These articles may be classified as follows:

Article 1 is simply declaratory. Article 2 announces the general purpose of the convention and Article 3 is explanatory thereof. Article 4 announces the nature of the rights to be conferred by the treaty with respect to all industrial property. Article 5 contains specific provisions relating to patents only. Articles 6, 7, 8, 9, and 10, relate to trademarks and commercial names. Article 11 relates to temporary protection of industrial property at international exhibitions. The remaining articles relate to matters of administration.

Some of these articles require no particular comment, but for convenience all will be recited *seriatim* with such remarks upon each as seem to be necessary:

ARTICLE 1.

The Governments of Belgium, of Brazil, of Spain, of France, of Guatemala, of Italy, of the Netherlands, of Portugal, of Salvador, of Servia, and of Switzerland have constituted themselves into a state of union for the protection of industrial property.

ARTICLE 2.

The subjects or citizens of each of the contracting states shall enjoy, in all the other states of the Union, so far as concerns patents for invention, trade or commercial marks, and the commercial name, the advantages that the respective laws thereof at present accord, or shall afterwards accord, to subjects or citizens. In consequence they shall have the same protection as these latter, and the same legal recourse against all infringements of their rights, under reserve of complying with the formalities and conditions imposed upon subjects or citizens by the domestic legislation of each state.

Article 2 gives to the citizens of the contracting states in respect to patents just what the law of the United States now gives them. Any person, citizen or alien, without regard to residence, is entitled to receive a patent for his invention in the United States and to be protected by the courts. In this connection and for the purpose of reference hereinafter, section 4886 of the Revised Statutes is quoted :

Any person who has invented or discovered any new and useful art, machine, manufacture or composition of matter, or any new and useful improvement thereof, not known or used by others in this country, and not patented or described in any printed publication in this or any foreign country, before his invention or discovery thereof, and not in public use or on sale for more than two years prior to his application, unless the same is proved to have been abandoned, may, upon payment of the fees required by law, and other due proceedings had, obtain a patent therefor.

It will be observed that there is no restriction as to citizenship or residence.

ARTICLE 3.

Are assimilated to the subjects or citizens of the contracting states, the subjects or citizens of states not forming part of the Union, who are domiciled or have industrial or commercial establishments upon the territory of one of the states of the Union.

This article is entirely in harmony with the law of the United States. Consideration of the provisions of the convention with respect to trade-marks is reserved for another portion of this report, but it may be remarked, while upon the subject of these articles, that the United States statute permits registration to all owners of trade-marks domiciled (*i. e.*, having a place of business) in this country without regard to actual residence or citizenship, and to all others if the countries in which they live afford similar privileges to American citizens. Apart from registration, all persons alike, citizen or alien, are entitled to the protection of the courts as far as their jurisdiction extends. So far as trade-marks are concerned these articles bring other nations up to the United States standard.

ARTICLE 4.

Any one who shall have regularly deposited an application for a patent of invention, of an industrial model or design, of a trade or commercial mark in one of the contracting states shall enjoy, for the purpose of making the deposit in the other States and under reserve of the rights of third parties, a right of priority during the periods hereinafter determined.

In consequence, the deposit subsequently made in one of the other states of the Union, before the expiration of these periods, cannot be invalidated by acts performed in the interval, especially by another deposit, by the publication of the invention or its working by a third party, by the sale of copies of the design or model, by the employment of the mark.

The periods of priority above mentioned shall be six months for patents of invention and three months for designs or industrial models, as well as for trade or commercial marks. They shall be augmented by one month for countries beyond the seas.

This article contains the substance of the convention ; or, as was remarked by one of the delegates from Italy while it was under discussion in the Conference of 1830, "the whole convention is in this article."

Its meaning and language need to be carefully studied. It is observed at once that it puts patents, designs, and trade-marks all on the same footing, as if the rights they express were of the same and a common character. But, as understood in the United States, patents (including designs) have no common character with trade-marks. A patent right is limited in time and exists only by virtue of the statute. A trade-mark right is a common law right and unlimited in duration. Having no common character they cannot be treated together, and the entire subject of trade-marks as affected by this and the other articles of the treaty will be considered separately.

Translated into the customary language of the Patent Office, the first paragraph of Article 4 means that any person, who has filed an application for patent in England, or Portugal, or Servia, or in any other of the contracting states, is to be allowed seven months during which he may file his application in this office; and that, if he does so within that period, he is to be entitled to priority over any other person who may have filed an application for the same invention during the interval. The second paragraph declares that such a deposit made within the prescribed time is not to be invalidated by acts performed within the interval such as ordinarily in Europe will vitiate a patent.

In determining to what the United States is bound by this agreement it is necessary to remember always that the whole convention has been framed exclusively upon European ideas, and that no person familiar with the American patent system has ever taken part in the Conferences. In Europe, as before stated, the patent is not necessarily granted to the first inventor, whereas in the United States it is granted to him only. In the United States the fact that an application is filed does not imply that a patent will be granted, because a rigid search is first made to determine the question of novelty. In Europe, except in Germany, there is no such search, and the grant for patent follows compliance with the prescribed formalities. In Europe the right begins to run with the date of the application; in the United States there is no relation between these dates. Protection begins when the patent is at last granted, always months and often years after the date of filing the application. Hence in Europe priority in making the deposit—in filing the application—is a matter of great consequence. But in the United States it is a matter of comparatively little moment. Priority in respect to the date when the invention was made is a matter of importance here; and when two applications conflict, or an application conflicts with an existing patent by claiming the same subject-matter, then priority is determined by an interference proceeding, as provided by statute:

SEC. 4904. Whenever an application is made for a patent which, in the opinion of the Commissioner, would interfere with any pending application, or with any unexpired patent, he shall give notice thereof to the applicants, or applicant and patentee, as the case may be, and shall direct the primary examiner to proceed to determine the question of priority of invention. And the Commissioner may issue a patent to the party who is adjudged the prior inventor, unless the adverse party appeals from the decision of the primary examiner, or of the board of examiners-in-chief as the case may be, within such time, not less than twenty days, as the Commissioner shall prescribe.

Other sections of the statute relate to this subject, and an elaborate system has grown up under which interference contests are conducted; and there are few tribunals in the land whose conclusions are regarded with more respect. The concession of the treaty appears to have no weight except when such a contest arises, since by the statute publication and sale and public use of the invention are no bar to the grant or to the

validity of a patent, unless shown to have occurred at least two years prior to filing the application.

For the better understanding of this provision it is worth while to notice the remarks of some of the delegates to the Conference of 1880 while it was under discussion.

Mr. Jagerschmidt, a French delegate, and author of the project as originally framed, opened the discussion by saying that when a patent had been granted, or a design or trade-mark deposited, a publicity resulted from the fact of which another person might improperly take advantage by hastening to acquire the ownership of the patent or of the design or mark in another country. The purpose of this article was to prevent this maneuver by giving to the first depositor a right of priority of registration in all states of the Union for a determined period. The publicity referred to results under some laws, as those of Great Britain and Germany, from opening to inspection the description of the invention before the grant of the patent. In the United States it is always preserved in secrecy.

Remarks by other delegates followed, but Mr. Woerz, an Austrian delegate, gave a further reason for the article, which in fact appears to have become the predominant one. He said the Austrian law demanded that the invention should be novel and must not have been previously published. He recalled that Austria had concluded a treaty with Germany, by the terms of which the publication according to the German law of the description of an invention patented in Germany was not to vitiate the novelty of the invention in Austria, if the inventor applied for his patent in the latter empire within three months from its publication in Germany. With regard to the contracting states he said it would be necessary to examine if certain legislations require publication of the patent, and in that case to adopt an arrangement which will protect the inventor's rights in a way analogous to that of the Austro-German treaty.

The president, Mr. Bozerian, a French delegate, remarked that in France an alien will often lose his rights because, before filing his application there, he has taken out his patent in his own country, and therefore his invention is no longer novel by the terms of the French law. Means for removing this difficulty had been sought for in the Congress of 1878. He recited some of these and the objections to them, and added that no interest was compromised by the terms of the present article.

From this discussion it is apparent that the purpose of the article is to secure the protection of an inventor in all countries of the Union by enabling them to have patents in all of a common date.

Lest there should be any doubt on the question, a formal statement was presented jointly by the Italian Government and the International Bureau in a paper laid before the Conference at Rome in 1886, and received the approval of the Conference. From this statement I quote (my own translation) as follows:

In its spirit Article 4 means that all applications for patent which shall be filed in the different states of the Union within a period of six months from the date of the earliest application are to be regarded as having been filed at that date. It is by this interpretation (*pour cela*) that the laws of different countries, by which absolute novelty of the invention is a condition of patentability, can be maintained after the accession of such countries to the International Union. This view is confirmed by the tenor of laws enacted after the convention of 1883, and designed to be in harmony with it. For instance, the law of Sweden and Norway requires that an application for patent made within the period prescribed shall be regarded as made at

the date of the first application; and the English law* provides that the patent granted on such an application shall bear the date of the application filed in the foreign country.

If, then, the deposit of the application is treated as effected in every state of the Union at the moment when the first application is made in one of them, there is no such thing as anteriority, and each state will deliver its own patent as if it were to it that the first application was addressed.

This explanation is framed on the basis of patent systems in which the patent runs from the date of the application. It does not exclude examination to determine novelty, nor the refusal of a patent for want of novelty, but it assumes always that whatever time may be spent upon this examination the patent has begun to run, and its date and term are already fixed. It does not apply to a system where such an examination occurs before the grant can be made, and in which the date of the patent is months or years subsequent to that of the application.

RIGHTS OF ALIENS UNDER ARTICLE 4.

The alien coming to the United States Patent Office and demanding his rights under the treaty may have the date of filing his application set back to that upon which he filed his earliest application in one of the contracting states, but there his advantage ends. If he is alone before the office and his case proceeds without contest with any other party, his patent will be granted; but he gets no earlier date, and nothing in the treaty relieves him from the conditions as to its term existing under section 4887, Revised Statutes.

SEC. 4887. No person shall be debarred from receiving a patent for his invention or discovery, nor shall any patent be declared invalid by reason of its having been first patented or caused to be patented in a foreign country, unless the same has been introduced into public use in the United States for more than two years prior to the application. But every patent granted for an invention which has been previously patented in a foreign country shall be so limited as to expire at the same time with the foreign patent, or, if there be more than one, at the same time with the one having the shortest term, and in no case shall it be in force more than seventeen years.

There is only one case in the United States Patent Office in which a prior date of filing an application is of any advantage. That is when, novelty being admitted, a contest arises between two conflicting applications. In declaring interference the party first filing his application has the advantage of his record date, and is in the condition of a defendant. Should no testimony be taken, the issue will be decided on the record dates, and priority awarded to the senior party. In cases filed under the treaty the party last to come before the office may be made senior by virtue of this prior application elsewhere. So far as this slight advantage is of value, it accrues to the alien over the citizen. And it cannot be seen wherein any other benefit is conferred by this article upon alien inventors coming before the United States Patent Office.

The treaty attempts to synchronize the grant of patents in the contracting states so that none may be vitiated by the anterior existence of another, but it fails utterly when applied to our system. It is not so much that it is at variance with ours. It is entirely outside of it. The United States law does already more for alien inventors than this treaty proposes. A prior foreign patent is not a bar to the grant of a patent here (section 4887, Revised Statutes.) It limits its term, but the grant will not be refused nor the patent invalidated. We give the patentee from a European country not six months nor seven months in

*Act of August 25, 1883, section 103.

which to make application here, but a practically indefinite period, the whole life of his home patent. The convention in its highest intent is only a step in the direction in which the United States has for many years led; and Europe has to take many steps in the same direction before her patent system can stand on the same plane with ours, so as to be fairly comprehended in a common international treaty.

RIGHTS OF AMERICAN INVENTORS UNDER THE TREATY.

But, looking at Article 4 from the other side, what rights does it secure to American inventors abroad? Remembering that its object is, as explicitly set forth, by giving patents a common date in the contracting states to provide against their being vitiated in one by reason of the existence of a prior patent in another, where does it leave the American inventor, who, having filed his application at home, seeks to protect his interests elsewhere?

At present it is the custom, facilitated by the law and practice in this country respecting final fees, for an applicant to file his application in foreign countries on the same day that his patent issues at home. By this means the duration of his domestic patent is not curtailed by virtue of the existence of a prior foreign patent (section 4887, Revised Statutes), nor is he liable to have his foreign patent refused or invalidated by reason of the invention having been previously patented or published at home. The practice has become thoroughly familiar, and is in some respects a convenience to Americans. It will continue without reference to the treaty as long as section 4887 remains on the statute books. Under it the American inventor has all the period during which his application is pending in the office to prepare his case for deposit in the patent offices of other countries. He has the advantage of the careful search made at home into prior domestic and foreign patents and the existing state of the art to enlighten him as to the propriety of soliciting his patent elsewhere, and as to the probable commercial value of his foreign patents, if obtained. After he gets his notice of allowance he still has six months for business preparations, for arrangements to raise the money required for fees and for working his invention in accordance with the laws of the several countries. And it is not till the expiration of this period that he is bound to file his application in foreign countries in order to accomplish what the treaty vainly seeks to secure, and have patents at home and abroad all bearing a common date. His patent at home will not be abridged by a prior foreign patent, nor will any of those abroad be vitiated by his prior patent at home. Foreign inventors applying for patents in this country employ the same means for their advantage.

Under the scheme adopted by Article 4 of the convention, an American inventor is allowed seven months from the date of filing his application at home, during which he may make his application in any of the contracting states of Europe. The explicit allowance of seven months implies a limit to that period, within which, to secure any protection under the terms of the convention, the applications in the foreign states must be filed. Comparatively few American patents are granted within seven months from the date of filing. An actual count of the issue of August 2, 1887, shows that of 421 patents issued, only 199 had been filed within seven months. If attempts had been made under the terms of this convention to secure protection for the inventions disclosed in the other 222 patents, the foreign patents must have been granted prior to those at home, and consequently must under our stat-

ute have limited their duration. If the period of seven months commenced with the grant of the patent at home or with the commencement of protection at home, the arrangement might not be unsatisfactory, but the limit is strictly to seven months from depositing the application. The arrangement is good enough, as between European systems in which the patent begins to run from the date of deposit, but it does not fit the American system, and cannot be adapted to it.

As representations have been publicly made that the period during which applications may be filed in the contracting states extends six (or seven as the case may be) months from the grant, and that the convention thereby removes a restriction greatly damaging to American inventors, it is worth while to consider what was actually intended as disclosed by the discussions in the Conference upon this subject. In the Paris Conference of 1880, this matter being under consideration, a period of six months from the date of application was by some delegates thought too long, by others too short. Mr. Indelli (Italy) said a year would be too long. The only reason for allowing such a period at all was on account of the examining system that existed in some countries. He thought that a period of six months was pretty long.

Mr. Weible (Switzerland) replied that the purpose of the article is to protect the patentee. An inventor in a country where a preliminary examination is required, will, before depositing his application in another country, desire to know if his patent (at home) will be granted. "Now, the examination is long; in the United States it lasts nearly a year." Mr. Weible thought for this reason a period of six months was not enough for patents, but a shorter period would be satisfactory for other branches of industrial property.

This shows clearly that the period is to run from the date of the application, and that there was at least one man in the Conference, while it was under discussion, who knew enough of the patent system of this country to discover that the proposition was not adapted to it.

The president, Mr. Bozerian, would consent to a period of a year from the date of application. Among other remarks he said it did not seem fair to impose on an inventor the burden of taking out his patents abroad until he was in condition to know if his invention could be profitably worked. A period of a year would in his opinion present little inconvenience and many advantages.

Professor Broch (Norway) reminded the Conference that in his country they had preliminary examinations, and he thought if a period of six months was fixed upon for patents a moral pressure would be brought to bear on the examiners that would make them more prompt in their decisions. To those who know the condition of work in the United States Patent Office, and how with the heartiest good-will and most faithful and intelligent effort on the part of examiners the final determination of a case may be delayed for years, this remark is charming for its simplicity.

These remarks of the various delegates show that, in full view of the fact that a United States patent is not granted until after a long and rigid examination, the Conference agreed upon a period of six months from the date of the first application within which the application must be filed in the various contracting states. This period was extended to seven months to countries across the sea, giving that period to citizens of the United States in all the countries of Europe. There is a wide public misapprehension on this subject. The advantage of the convention to American inventors has been strongly insisted upon for the reason that after the grant of their patents they had still this con-

siderable period during which they might file their applications in the contracting states without danger to their interests by reason of the anterior patent at home. What has been said shows clearly that all notions of that kind are illusory, that the Conference meant just what the language of Article 4 expresses, and that no such protection to American inventors is afforded by the convention.

Had Article 4 been drawn so as to admit of a period of six or seven months from the date of the grant of the earliest patent, or from the day upon which protection begins, it would obviously be advantageous to the American inventor. As it stands, it is not an advantage to him, but a detriment. If he attempts to avail himself of the treaty procedure he must file his application abroad within seven months of filing it at home; and then in the case of more than half the patents granted in this country their duration will be abridged under section 4887, Revised Statutes. The convention may serve the purpose of the minority of patentees whose patents are granted within seven months of their filing, but not one of such persons can have any assurance in advance that his grant will be made during that time. To recall a patent from issue after allowance is an everyday occurrence. It occurs not seldom after the payment of the final fee, and there are instances of its occurrence when the patent was actually ready to deliver.

The deliberate way in which Article 4 was adopted, the period in question fixed upon in full view of the difficulties it would present to Americans, indicates that the objection to it is not to be overcome by an explanation. To make it conform to the existing American system it will have to be amended in essential particulars; a thing which can only be done at the next Conference, to be held at Madrid in 1889, and which can only be in force when ratified by the contracting powers. Should Congress see fit to amend section 4887 by repealing the final clause so that a prior foreign patent should no longer act to abridge the term of that granted at home, that also might relieve this article of its worst objection. This is a proposition which may fairly be brought to the attention of the legislative branch of the Government.

ARTICLE 5.

The introduction by the patentee, into countries where the patent has been granted, of articles manufactured in any other of the states of the Union shall not entail forfeiture.

The patentee, however, shall be subject to the obligation of working his patent conformably to the laws of the country into which he has introduced the patented articles.

So far as the United States Patent Office is concerned it is in no way affected by this article. Its intention is to afford relief abroad to inventors from restrictions imposed by the laws of some of the contracting states. The relief is not great, since the second paragraph goes far to annul the privilege which the first seems to accord.

This provision of the treaty was the subject of every warm debate in both the Conferences of 1880 and 1886. In the former many delegates declared that the working of an invention in the country was necessary to keep the patent in force. These delegates represented Switzerland, France, Belgium, Hungary, and Austria. Many of them regarded it as impossible for a patent to be granted, except on this condition; and the delegates from Switzerland, Austria, and Hungary declared in so many words that their Governments could not accede to the convention without this stipulation. The French delegates took no part in the discussion, but the law of France was announced by the President to be

to the effect that a person having a patent in that country could not introduce from any other country the patented article.

In 1886 Belgium proposed to modify Article 5 so that it should read:

The owner of a patent who works his invention in one of the states of the Union cannot be declared to have lost his rights in the other for failure to work the invention.

A counter-proposition was submitted by France in which the first paragraph of Article 5 was not substantially changed, but the second paragraph read as follows:

Nevertheless the patentee shall be bound to work his invention in the said country and to manufacture there the objects to which it applies.

It was decided that the Conference had no power to change the terms of the existing convention. In the course of the debate Mr. Monzelli (Italy) characterized the French proposition as "on one side protecting alien inventors and on the other imposing conditions impossible to observe."

Both propositions having been dismissed, an additional paragraph to Article 5 was proposed by Mr. Pelletier, delegate from Tunis, in these words:

Each country shall determine the sense in which the word *work* (*exploiter*) is to be interpreted.

In the discussion that followed the French delegates insisted very strenuously upon this privilege, and the effect of it was thus stated by Mr. Monzelli, the Italian delegate who was quoted above:

When the French tribunals shall have interpreted this word according to the French law, that is, that the patentee must establish the manufacture of his products in France under penalty of the loss of his patent, then the permission to import the products accorded by the first paragraph will become void. (Report of the Conference at Rome, p. 103.)

The proposition of Mr. Pelletier was finally adopted, and affirms the French proposition so far as their Government is concerned. Although not ratified by the United States as yet, it determines the sense in which Article 5 is to be interpreted. Under this interpretation the advantage given by this article to American inventors is exceedingly slight. The very difficulty they have hitherto experienced in maintaining their patents in foreign countries, and particularly in France, remains just as before the treaty, and the discussions show that these objectionable conditions will be insisted upon to the letter.

By the removal of the restriction upon the importation of the patented article perhaps some relief is afforded to manufacturers who are compelled to establish their industries in France in order to maintain their patents. Heretofore the introduction of machines or articles to serve as models or patterns was held to work forfeiture of the patent, so rigidly was the French law construed. This illiberal condition is now probably done away.

Before passing from the subject of patents it is proper to notice the provisions of

ARTICLE 11.

The high contracting parties engage between themselves to accord a temporary protection to patentable inventions, to industrial designs or models, as well as to trade or commercial marks for the productions which may figure at official or officially recognized international exhibitions.

This article removes an obstacle which has existed to the exhibition of manufactured products in countries where they were not protected

by patents. It is an engagement obviously impossible to fulfill in states where, as in the Netherlands, no patent laws exist. No such provision for temporary protection is necessary in this country, since our statute explicitly admits of two years' public use of an invention during which an application for patent may be filed.

IV. THE CONVENTION: TRADE-MARKS.

In the United States a trade-mark is held to belong to the person who first adopts and uses it. In case of conflicting applications for registration, priority of adoption is determined by an interference proceeding. Hence in respect to trade-marks the same objections exist to the general provisions of Article 4 that have already been discussed in connection with patents for inventions. These need not now be further considered. The other agreements of the convention on this subject are in Articles 6 to 10. They engage each contracting power to admit to deposit and to protect trade-marks regularly deposited in any other state of the Union. Commercial names, not technical trade-marks, are to be protected without registration, and the nature of the merchandise bearing the mark is not to be an obstacle to the deposit.

ARTICLE 6.

Every trade or commercial mark regularly deposited in the country of origin shall be admitted to deposit and so protected in all the other countries of the Union.

Shall be considered as country of origin, the country where the depositor has his principal establishment.

If this principal establishment is not situated in one of the countries of the Union, shall be considered as country of origin that to which the depositor belongs.

The deposit may be refused if the object for which it is asked is considered contrary to morals and to public order.

It is doubted if the United States can, with propriety, conform to the provisions of the first paragraph of this article. The Commissioner of Patents is required by law (act of March 3, 1881, sec. 3) to "decide the presumptive lawfulness of claim to the alleged mark"; and he will be guided in his decisions by the law of his own country and the adjudications of her courts, and not by those of any other country. It is an actual fact that, for reasons of public policy, registration has been refused in this country to a trade-mark registered and protected in France (see *Ex parte Eydoux*, Commissioner's MS. Decisions, vol. 31, p. 500). Paragraph 4 of the final protocol is explanatory of the first paragraph of this article, but does not seem to relieve it of objection.

ARTICLE 7.

The nature of the production upon which the trade or commercial mark is to be affixed cannot in any case be an obstacle to the deposit of the mark.

The purpose of this article was explained in the Conference of 1880 (see the report, p. 89) by the fact that in some countries trade-marks on pharmaceutical preparations are not registered, and the preparation cannot be put on sale until it has received the approval of the board of health (*conseil d'hygiène*). "As the mark is absolutely independent of the product it is to the advantage of the owner to be able to register it in advance so as to protect his rights as soon as the interdiction is removed from the product." Since under the United States trade-mark laws there is no registration but for marks actually adopted and in use, this article has no bearing on the work of the Patent Office.

It should be remarked here that in most of the countries of Europe there is no protection for trade-marks except by virtue of registration. In Russia registration must be effected before the trade-mark can be used. This is quite in contrast with American ideas, according to which the right to a trade-mark comes by its adoption and use, and it is protected by common law everywhere, without regard to registration.

ARTICLE 8.

The commercial name shall be protected in all the countries of the Union without obligation of deposit, whether it forms part or not of a trade or commercial mark.

This article is in accordance with the established practice in the United States. There is no provision for registration of commercial names, except where they are regarded as actual trade-marks, but they are fully protected by the courts as a great number of reported cases testify. (Browne on Trade-marks, Chap. XII.)

ARTICLE 9.

Every production bearing, unlawfully, a trade or commercial mark, or a commercial name, may be seized upon importation into those of the states of the Union in which such mark or such commercial name has a right to legal protection.

The seizure shall take place either at the instance of the public prosecutor or of the interested party, conformably to the domestic legislation of each State.

ARTICLE 10.

The provisions of the preceding article shall be applicable to every production bearing falsely, as indication of origin, the name of a stated locality, when this indication shall be joined to a fictitious commercial name or a name borrowed with fraudulent intention.

Is reputed interested party every manufacturer or trader engaged in the manufacture or sale of this production when established in the locality falsely indicated as the place of export.

The penal legislation of the United States respecting trade-marks is contained in the act of August 14, 1878. This act was held invalid by the Supreme Court, because that of 1870 in which it depended for validity was unconstitutional, but since the enactment of the present law it has been regarded as in full force. It provides for penalties of fine and imprisonment, but does not provide for seizure of goods. Section 2496, Revised Statutes, authorizes the officers of customs to refuse entry to merchandise bearing trade-marks which simulate or copy those of domestic manufacturers.

In the countries of Europe not only do the laws provide for such penalties as fine and imprisonment and damages to the injured party, but other penalties and additional safeguards are provided. In Austria the spurious trade-mark is suppressed and all appliances for counterfeiting it may be destroyed. In Belgium and Germany the goods bearing it may be destroyed. In France they may be confiscated and the infringer deprived of political rights. Seizure of the goods is perfectly consonant with continental European ideas, but is absolutely unknown to either British or American trade-mark law.

V. THE CONVENTION: ADMINISTRATIVE PROVISIONS.

ARTICLE 12.

Each one of the high contracting parties engages to establish a special service of industrial property and a central depot for giving information to the public concerning patents of invention, industrial designs or models, and trade or commercial marks.

This covers a provision for such a publication by each of the contracting powers as is now issued weekly from the United States Patent Office.

ARTICLE 13.

An international office shall be organized under the title of "International Bureau of the Union for the Protection of Industrial Property."

This Bureau, the cost of which shall be supported by the Governments of all the contracting States, shall be placed under the high authority of the superior administration of the Swiss Confederation, and shall work under its supervision. Its powers shall be determined by common accord between the states of the Union.

ARTICLE 14.

The present convention shall be submitted to periodical revisions for the purpose of introducing improvements calculated to perfect the system of the Union.

With this object conferences shall take place successively in one of the contracting states between the delegates of said states.

ARTICLE 15.

It is understood that the high contracting parties respectively reserve the right to make separately, between themselves, special arrangements for the protection of industrial property so far as these arrangements shall not interfere with the provisions of the present convention.

Articles 13 and 14 need no comment. Article 15 recognizes the right of the contracting states to make special arrangements between themselves for the protection of industrial property, and it is understood that treaties such as now exist between this and many European Governments are to continue in force.

ARTICLE 16.

The states that have not taken part in the present convention shall be admitted to adhere to the same upon their application.

This adhesion shall be notified through the diplomatic channel to the Government of the Swiss Confederation and by the latter to all the others.

It shall convey, of full right, accession to all the clauses and admission to all the advantages stipulated by the present convention.

ARTICLE 17.

The execution of the reciprocal engagements contained in the present convention is subordinated in so far as needful to the accomplishment of the formalities and rules established by the constitutional laws of such of the high contracting parties as are bound to ask the application thereof, which they agree to do within the shortest delay possible.

Article 17, very obscure in the English translation, is understood to mean that, so far as existing legislation in any country requires modification in order to fulfill the engagements of the convention, their execution is subordinate to such changes in the law as may be needful; it remains in abeyance; but the Government agrees to recommend such changes without delay. This Government having become a party to the Union, it now becomes the duty of the proper officer (the President, the Secretary of the Interior, or the Commissioner of Patents) to propose such amendments to the patent and trade-mark laws as may be necessary to give full force to the convention, and for the Commissioner of Patents to modify the rules of his office wherever they need to be changed to conform to it.

ARTICLE 18.

The present convention shall be put into execution within a month after exchange of ratifications, and shall remain in force during a period of time not determined until the expiration of one year from the day upon which the denunciation shall be made.

This denunciation shall be addressed to the Government empowered to receive adhesions. It shall only produce its effect as regards the state making it, the convention remaining executory for the other contracting parties.

Under this article any Government finding the convention not to its advantage may withdraw from the Union. Salvador, one of the original signatory powers, has already done so.

ARTICLE 19.

The present convention shall be ratified, and the ratifications shall be exchanged at Paris within the period of one year at the latest.

Appended to the convention is a final protocol, intended to explain some of the provisions of the above articles, and to determine some matters of administration not included in them. It is as follows:

FINAL PROTOCOL.

On proceeding to the signature of the convention concluded this day between the Governments of Belgium, Brazil, Spain, France, Guatemala, Italy, The Netherlands, Portugal, Salvador, Servia, and Switzerland for the protection of industrial property, the undersigned plenipotentiaries have agreed on the following:

(1) The words *industrial property* are to be understood in their widest acceptation in the sense that they apply, not only to the productions of industry properly so called, but equally to the productions of agriculture (wines, grains, fruits, cattle, &c.) and to mineral productions used in commerce (mineral waters, &c.).

(2) Under the name *patents of invention* are included the various classes of industrial patents granted by the laws of the contracting states, such as patents of importation, patents of improvement, &c.

(3) It is understood that the final provision of Article 2 of the convention shall in no respect infringe upon the laws of each of the contracting states so far as concerns the procedure before the courts and the competence of the said courts.

(4) Paragraph 1 of Article 6 is to be understood in the sense that no trade or commercial mark shall be excluded from protection, in one of the states of the Union, by the mere fact that it may not satisfy, in respect to the signs composing it, the conditions of the laws of this state, provided that it does satisfy, in this regard, the laws of the country of origin, and that it has been, in this latter country, duly deposited. Saving this exception, which concerns only the form of the mark, and under reservation of the provisions of the other articles of the convention, the domestic legislation of each of the states shall receive its due application.

In order to avoid all misinterpretation, it is understood that the use of public armorial bearings and decorations may be considered contrary to public order in the sense of the final paragraph of Article 6.

(5) The organization of a special service of industrial property mentioned in Article 12 shall include, as far as is possible, the publication in each state of an official periodical.

(6) The common expenses of the International Bureau created by Article 13 shall in no case exceed yearly a sum total representing a mean of 2,000 francs for each contracting state.

In order to determine the contributory share of each of the states in this sum total of expenses, the contracting states, and those who may hereafter adhere to the Union, shall be divided into six classes, each contributing in proportion of a certain number of units, namely: First class, 25 units; second class, 20 units; third class, 15 units; fourth class, 5 units; fifth class, 3 units.

These coefficients shall be multiplied by the number of the states of each class, and the sum of the products thus obtained shall furnish the number of units by which the total expense is to be divided. The quotient will give the amount of the unit of expense.

The contracting States are classified as follows in respect to the division of the expenses:

First class: France, Italy.

Second class: Spain.

Third class: Belgium, Brazil, Portugal, Switzerland.

Fourth class: Netherlands.

Fifth class: Servia.

Sixth class: Guatemala, Salvador.

The Swiss Government shall supervise the expenditure of the International Bureau, make the necessary advances, and state the annual account, which shall be communicated to all the other Governments.

The International Bureau shall collect information of every kind relating to the protection of industrial property, and shall compile from it general statistics, which

shall be transmitted to all the Governments. It shall occupy itself with examinations of general utility which may be of interest to the Union, and shall publish, with the assistance of the documents put at its disposal by the various Governments, a periodical in the French language on questions which concern the object of the Union.

The numbers of this periodical and all the documents published by the International Bureau shall be partitioned among the Governments of the states of the Union in the proportion of the number of contributory units above mentioned.

The copies and supplementary documents which may be requested either by the said Governments or by corporations or private persons shall be paid for separately.

The International Bureau must always hold itself at the disposal of the members of the Union in order to furnish them on questions relating to the international service of industrial property with such special information as they may need.

The Government of the country where the next Conference is to be held shall prepare, with the assistance of the International Bureau, the work of the said Conference.

The director of the International Bureau shall be present at the sessions of the Conferences and shall take part in the discussions without voting.

He shall make an annual report on its management, which shall be communicated to all the members of the Union.

The official language of the International Bureau shall be the French language.

(7) The present final protocol, which shall be ratified at the same time as the convention concluded this day, shall be considered as forming an integral part of that convention, and shall have the same force, value, and duration.

The sixth paragraph of this protocol indicates the basis of classification adopted in assessing the expenses of the International Bureau. On the accession of Great Britain she was placed in the first class along with France and Italy, and our Government has been placed in the same class.

VI. LEGISLATION REQUIRED.

Congress must provide by appropriation for defraying the share of the United States in maintaining the International Bureau. For this about eight hundred dollars is required annually.

Provision should also be made for sending a competent delegate to the next Conference. Heretofore our ministers at Paris, Brussels, and Rome have been delegated to represent this Government. In future, if we are to remain in the Union, it is of the first importance that a person familiar with our patent system, and capable of representing both the Patent Office and the interests of American inventors and manufacturers, should be selected for that duty and adequate means provided for his compensation and expenses. Great Britain sent to the last Conference the executive head of her Great Seal Patent Office and two experts to look after her interests.

It should be submitted to Congress whether section 4887, Revised Statutes, shall not be amended by repealing the last clause.

It is proper also to consider whether the spirit of Article 2 of the convention does not require amendment of section 4902, Revised Statutes. The privilege of filing a caveat for an uncompleted invention is now restricted to citizens and to aliens who have resided one year in the United States and made oath of their intention to become citizens. This section contains the only discrimination against foreigners that is to be found in our patent law, and the privilege might very reasonably be extended to citizens, subjects, and residents of all the states of the International Union. Some change in the trade-mark law is necessary to conform to Article 6, and means must be provided by law for carrying into effect the requirements of Articles 9 and 10, relating to the seizure of goods bearing spurious trade-marks, or commercial names, or false indications of origin.

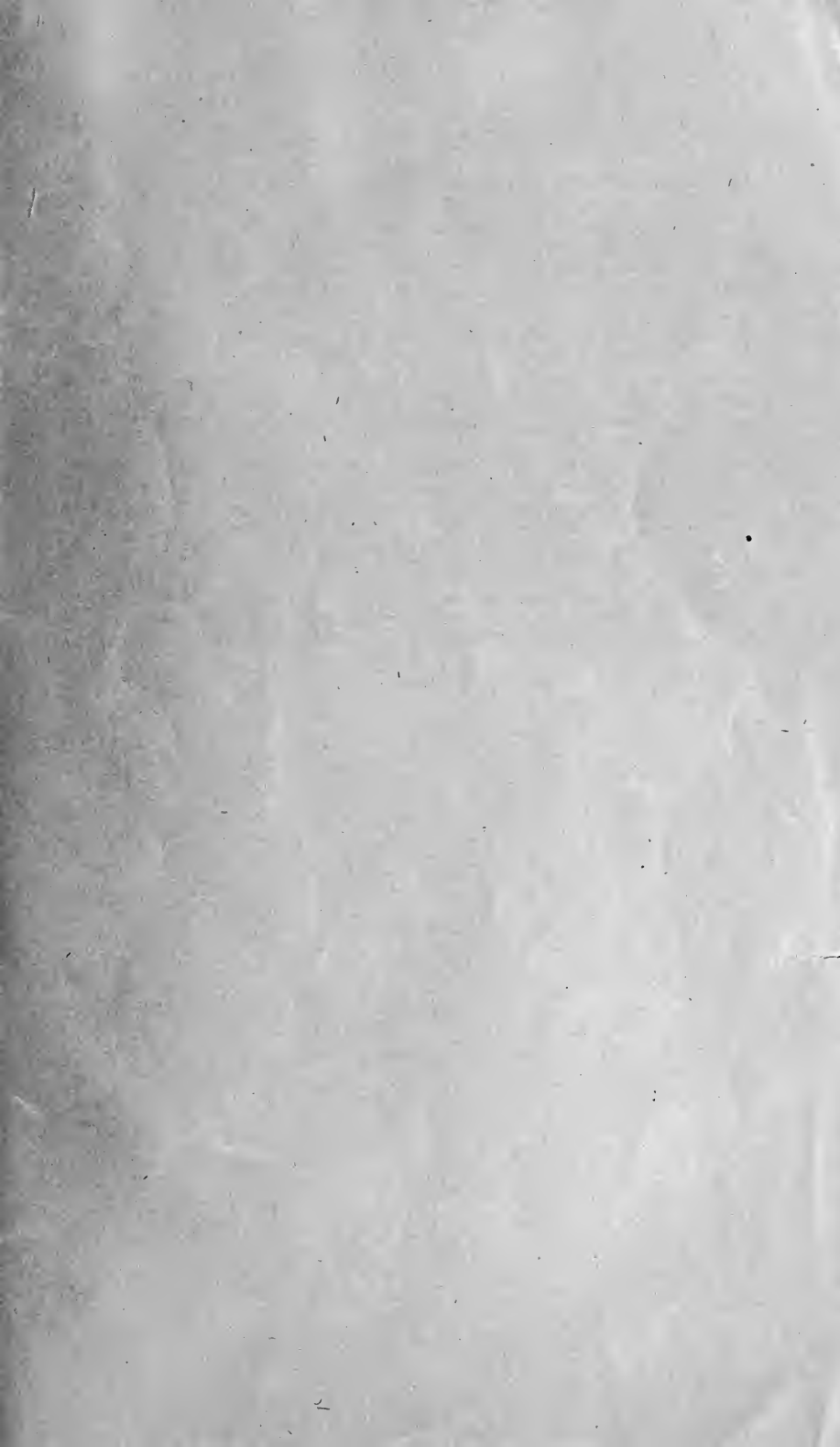
VII. CHANGES IN OFFICE PRACTICE.

Applications for mechanical and design patents and for trade-mark registration, presented under the treaty, are to be regarded as if filed on the date on which the first application for the same invention was filed in any of the contracting states.

Rule 62 gives precedence to applications for patent for inventions already patented abroad. This rule must be amended so as to give more than precedence in examination. It must give an actual prior date of application, with whatever advantages come from it, such as the relative position of the parties in an interference. It will be for the Commissioner to consider what evidence he shall require to the fact that an application has been deposited in the foreign country. He should certainly require something more than the applicant's allegation to that effect.

In order to furnish the information called for by the International Bureau, such changes should be made in keeping the accounts of the office as will separate the sums received for applications for mechanical patents, for design patents, and for registration of trade-marks.

It would be desirable to commit to some person or division the work of preparing the various reports and correspondence called for by the International Bureau, and the custody of its documents. As the French is made the official language of the Bureau, the person to whom this work is committed must necessarily be proficient in that language.



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